

# Connelly: SIDC cuts are political

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When the federal government announced its intention to yank nearly \$20 million in Medicaid funding for Staten Island Developmental Center, federal officials said the issue was that SIDC had failed to meet federal standards on quality of care.

But now some state officials are claiming that the real issue is politics, and that the decision to pull Medicaid funding results from the Reagan administration's desire to save money and perhaps embarrass Gov. Mario M. Cuomo.

"To me, there's no question" that the federal government's motivation is political, Assemblywoman Elizabeth Connelly said. "This is not an area where the federal government is concerned about the quality of care. They are just hard-pressed to find areas to cut Medicaid. They also want to embarrass Cuomo, who is a possible contender (for the Democratic presidential ticket) the next time around."

Arthur Webb, commissioner of the state Office of Mental Retardation and Developmental Disabilities, which operates SIDC, said that while he doubts the Reagan administration is trying to sabotage Cuomo, he does think that the Medicaid cutoff is "part of an overall effort to reduce the cost of government."

"The nation's mental retardation programs have been targeted by HCFA (the federal Health Care Financing Administration) in a major attempt to discredit these institutions and disallow their Medicaid funds," Webb said. "It's almost like they want to get out of the business (of funding services for the retarded)."

HCFA, which is a division of the Department of Health and Human Services, announced its decision in April to halt Medicaid funding for SIDC. The funds were

to be cut off June 14, but that has been delayed because the state has filed an appeal. Federal funding will continue until the appeal is decided.

At stake is half of SIDC's operating budget. Also in jeopardy is almost \$50 million in annual federal funding for Letchworth Developmental Center in Rockland County, which faces a similar sanction. Webb said more state institutions may be decertified in upcoming weeks. Any Medicaid monies withheld by the federal government will have to be made up by the state.

In the case of both Letchworth and SIDC, Health and Human Services based its decertification on recent federal audits which cited substantial deficiencies in the facilities' quality of care. At SIDC, the federal auditors claimed the institution was out of compliance in more than 50 categories, ranging from administrative policy to food service and health care.

When announcing the agency's intention to cut off funding, Alan Saperstein, associate regional director of HCFA, admitted that SIDC has improved since the early 1970s when the facility earned a notorious reputation for gross overcrowding and understaffing. However, Saperstein said the institution's rate of improvement falls below expectations and that serious deficiencies remain.

"I'm not going to say the situation at SIDC has gotten worse" over the past few years, Saperstein said in April. "But taking a look at the circumstances — at the critical attention that the institution has received over the past 10 years — we would expect to find much more to have been done."

Another factor is that Health and Human Services is becoming much more aggressive about enforcing federal standards at Medicaid-funded facilities, Saperstein said, adding that federal surveyors have become "much more sophisticated" in their ability to detect deficiencies.

It is this policy that lies at the core of the controversy. While Saperstein insists that the more rigid enforcement of federal standards is motivated by wanting to improve client care, others charge it is merely a cost-saving maneuver.

Webb points to a study by the National Association of Mental Retardation Directors which claims that the new level of enforcement has created confusion rather than upgraded standards of care.

"The federal government is taking major disallowances (in Medicaid funding) in areas like education and rehabilitation — areas that lie at the heart of mental retardation services. They say we're not doing things right, but when we ask what we should be doing, they can't tell us. It's created tremendous confusion and has led, I think, to a national crisis," Webb said.

"After making major strides over the past 10 years in treating the mentally retarded, the federal government is now taking away money for those very programs."

While the problem is national in scope, New York State is particularly vulnerable because it receives about 20 percent of all Medicaid funds for mental retardation services, and treats 17 percent of the nation's mentally retarded, according to Webb.

Mrs. Connelly and Webb, among others, contend that the federal government may be exaggerating the deficiencies of facilities to justify cutting off federal funding. Along these lines, there are questions whether the federal reports paint an accurate picture of SIDC.